Federalism in Context: Laying the Foundations for a Problem-Driven Process of Political Reform

PAUL D. HUTHCROFT
PROFESSOR OF POLITICAL AND SOCIAL CHANGE
CORAL BELL SCHOOL OF ASIA PACIFIC AFFAIRS
THE AUSTRALIAN NATIONAL UNIVERSITY
Outline

1. Federalism in the context of other types of political reform
2. Three basic principles of political reform
3. [Defining centralization & decentralization in the administrative and political spheres]
4. [The Philippines and its neighbors]
5. Lessons from comparative experience: [Enduring dynamism]; a central paradox; critical preconditions; [and reconciling local and national values]
6. What are the problems to be solved?
7. The virtues of strengthening the regions (whether or not federalism pushes through)
PART I

Federalism in the context of other types of political reform
Three basic decisions of democratic political reform (diversely mixed & matched around the world)

I. Central-local relations: unitary or federal?

II. Representational Structures: presidential, parliamentary, or a hybrid of the two?

III. Electoral System (how votes are converted to seats): Plurality, Proportional Representation, Party List, or some combination of the above?

Three distinct (yet interrelated) decisions
PART II

Three basic principles of political reform
3 Basic Principles of Political Reform (with 3 corresponding basic questions)

Principle 1:

- Study and understand the pre-existing conditions.
- There is no one-size-fits-all reform. Each country has its own distinctive historical configurations of power and authority.

Question 1: What are the basic problems needing to be solved? (Rather than: here is the clearly obvious preferred solution—what are the problems that might justify its promulgation?)
3 Basic Principles of Political Reform (with 3 corresponding basic questions)

Principle 2:

- Understand the nature of the underlying political institutions, especially the two critical institutions of the bureaucracy and political parties.

- If both are weak, whatever is constructed may end up being unstable. (A bit like constructing a house on shifting sands?)

Question 2: What is the underlying capacity of the administrative system (the bureaucracy) and political system (through political parties able to aggregate societal demands and present coherent policies in the public sphere)?
3 Basic Principles of Political Reform (with 3 corresponding basic questions)

**Principle 3:**

- Recognize and anticipate unintended consequences.
- The bigger the reform, the bigger are likely to be the risks of unintended consequences.

**Question 3:** Are there smaller—and hopefully more predictable—reform solutions that could perhaps resolve the problems that have been identified?
PART III

Defining centralization & decentralization in the administrative and political spheres
PART IV

The Philippines and Its neighbors (with 3 hypothetical federalism scenarios for the Philippines)
Lessons from Comparative Experience:

Enduring dynamism, a central paradox, critical preconditions, reconciling local and national values
The paradox of decentralization (and federalism)

“One of the most curious aspects of decentralization is the responsibility that a national government must assume to assure the realization that decentralization, as doctrinally advocated, is supposed to serve.”

--James Fesler, 1965

Paradoxically, decentralization requires a strong and capable central state able to enforce the rules by which authority is being devolved to the subnational level.
The importance of effective state bureaucracies

Federalism also requires a basic level of administrative capacity across the constituent subnational states (*none of which, in the Philippine context, are pre-existing entities*)

- If there are to be 10-12 NEDAs, 10-12 DBMs, 10-12 DPWHs, 10-12 DOTs, 10-12 DAs, 10-12 DTIs, 10-12 DOHs etc. (plus perhaps 10-12 COAs, 10-12 COMELECcs, 10-12 CSCs?), each state must have the means to recruit and retain high-quality public servants
- What, currently, is the relative quality of local vs. national bureaucracies?
- Perhaps have federal states correspond to the current regions to ensure foundational administrative capacity?
PART VI

So what are the problems to be solved?

(“If Federalism is the answer, what is the question?”)
Sample Question Number 1

Will the imposition of a system of symmetrical federalism, across the entire archipelago, promote peace in Mindanao?

Or, rather?: Focus on asymmetrical arrangements that seek to address the historical injustices that have been experienced in very distinctive ways by the Bangsamoro
Sample Question Number 2

Will federalism curb the widespread patronage practices that undermine the quality of Philippine democracy?

Or, rather?: Electoral system redesign, which (when done well) has the capacity both to curb patronage and promote the development of stronger political parties. E.g., closed-list proportional representation.

Involves far less risk of unintended consequences.
Sample Question Number 3

Will federalism undermine the oligarchy and enhance long-term development prospects in ways that will be beneficial to the population as a whole?

Or, rather?: Strengthen the capacity of the central state to promote competition and curb the cartels and duopolies that inhibit inclusive growth. Work to replace patterns of elite capture with more productive modes of government-business relations.

Ensure that the central state has the regulatory capacity to act (at least occasionally) as a countervailing force to the powerful diversified family conglomerates.
Will federalism help to resolve the longstanding problem of regional inequalities?

Or, rather?: Ensure that the national government play a more pro-active role in nurturing the regional bureaucracy across the 18 administrative regions. Uphold basic minimal standards across the regions. Empower and fund the Regional Development Councils. Give the regional planning process greater integrity of its own, less dependent on the whims of Manila.

Make the regions work to support local autonomy, as they are THE critical nexus between the national government and the local government units.
Whether or not federalism pushes through, it makes sense to strengthen the regions...

**Scenario 1: Federalism pushes through**

Critical to the success of federalism is stronger regions. So why not begin this process of strengthening now, working with national government agencies already deconcentrated to the regional level?

Accompany this with strengthening of the RDCs

**Scenario 2: Federalism doesn’t, in the end, push through**

All of the above is still a major accomplishment, and could have an extremely positive impact on the promotion of both national development goals and local autonomy.
The bottom line

Work out arrangements that make the most sense for the Philippines

Call it what you will...

Then, refocus attention on the myriad incremental yet critical tasks of promoting development objectives both national and local

There are no quick fixes
Naa ba’y pangutana?

DAGHANG SALAMAT!